

Effect of Claims on Employees' Paychecks

Among other payroll deductions, employers can deduct up to half of the medical aid and the supplemental-pension assessment from the employees' paychecks:

EMP. NO.	EMPLOYEE			SOC. SEC. NO.	EMPLOYER			
	Joe Carpenter			123-45-6789	SCENARIO 1 - Industry Average Rate 1.15			
EARNINGS					DEDUCTIONS			
THIS PAY PERIOD				YEAR-TO-DATE	THIS PAY PERIOD		YEAR-TO-DATE	
DESCRIPTION	RATE	HRS/UNITS	AMOUNT	AMOUNT	DESCRIPTION	AMOUNT	AMOUNT	
REG		40.0	1,088.80	56,617.60	FWT	179.00	9,308.00	
					FICA-SS	67.51	3,510.29	
					FICA-MED	15.79	820.96	
					DUES	41.92	2,179.78	
					VACATION	40.00	2,080.00	
					L&I - EMP	13.62	708.00	
THIS PAY PERIOD					YEAR TO DATE			
PERIOD ENDING	EARNINGS		DEDUCTIONS	NET PAY	EARNINGS		DEDUCTIONS	NET PAY
	1,088.80		357.83	730.97	56,617.60		18,607.02	38,010.58

What gets their attention is when you demonstrate for them the difference between payroll deductions for employees in a company with a low claims rate compared with an average company, and compared yet again to a company with an above average claims rate:

	Experience Factor		
	0.411	1.15	1.60
40 hours/week	\$5.71	\$13.62	\$18.43
2080 hours/year	\$296.74	\$708.00	\$958.42

In short, the financial difference between working for a company with a good safety record and one with a bad one could mean \$662 per year.

(Of course it can also mean the difference between going home safe and healthy at night and not.....)